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May 15, 2017

The Honorable Paul Ryan
U.S. House of Representatives
Washington, D.C. 20515

RE: Support H.R. 2101, the Prior Approval Reform Act

Dear Speaker Ryan:

On behalf of the Associated General Contractors (AGC) of America and its 26,000 commercial construction company members, I strongly urge you to co-sponsor H.R. 2101, the Prior Approval Reform Act, introduced by Representative Mark Amodei. The legislation will repeal the prior approval requirement in section 316(b)(4)(D) of the Federal Election Campaign Act which discriminates against a small group of trade associations.

The prior approval requirement mandates that corporate-member trade association political action committees (PACs) obtain written approval from member corporations before talking in depth about the PAC and/or soliciting their executive and/or administrative staff. Furthermore, despite corporations belonging to multiple trade associations, the prior approval requirement states that a corporation may only grant this approval to solicit contributions to one trade association PAC per calendar year.

Trade associations, like AGC, are discriminated against because their PACs are the only political committees that must first obtain exclusive permission from member companies before soliciting eligible individuals for support. No other class of PAC, including corporate, labor union, and individual membership association, is subject to the prior approval requirement.

The requirement also restricts the First Amendment rights of AGC member company employees. The hardworking men and women in the construction industry are often frustrated that their company must first grant permission before they can be asked to make a personal contribution. It makes no sense that they can be solicited by individual member PACs and outside groups, but not by the trade association in which they participate unless their company provides its permission. Members of AGC have a constitutional right to join together in support of, or in opposition to, candidates for political office.

The prior approval requirement is unnecessary, out-of-date, and confusing. Please become a cosponsor of H.R. 2101, and join Representative Amodei's efforts to repeal the prior approval requirement.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey D. Shoaf".

Jeffrey D. Shoaf
Senior Executive Director, Government Affairs